

Operational Incentives/Penalties					
Category	Standard	Incentive	Penalty	Comments	Applicability
On Time Performance	Maintain a minimum On Time Performance rating of 95% or higher for each individual Pick-up or Drop-off within the +/- 15 minutes time tolerance window.	Contractor shall be entitled to earn an incentive payment of \$1,000/month should its on-time performance be 95% or greater.	Trips Performed Outside On-Time Window. Failure to comply with the on-time performance standard shall result in a penalty of \$50 for each occurrence below the 95% on-time standard. (This penalty shall be assessed in addition to the requirement for Contractor providing such trips at "no-charge" to the customer.) Performance standard includes NLT drop on time performance.	OTP will be measured through Contractor and City trail form checks. ITS system equipment will be utilized to validate OTP data. Additional penalty of \$50/occurrence may apply for trips performed 60 minutes outside the pickup/dropoff window	ADA/DAR
Call Center Reservationist/Customer Service	Average daily call abandonment (hang-up) rate not to exceed 6%, average wait time during peak periods not to exceed 2 to 3 minutes, average wait time during off-peak periods not to exceed 1 to 2 minutes.	Contractor shall be entitled to earn an incentive payment in the amount of \$500/month should the call abandon rate be less than 3%.	\$1,000/month penalty shall be assessed if the call abandon rate performance standard of 6% is exceeded.		ADA/DAR
Productivity	Exceed 4.1 passengers per revenue hour	To be negotiated during best and final offer		Contractor shall only be entitled to this incentive if on time performance exceeds minimum contract requirement for the same period (95% including NLT arrivals.) Calculated monthly	ADA/DAR
On Time Performance	Maintain a minimum On-Time Performance rating of 95% or higher for each individual route. On-time performance is defined as not departing early (zero tolerance) and five minutes late at all timed-points along a route.	None	\$500 per route per month for each route that fails to meet this minimum requirement	OTP will be measured through Contractor and City trail form checks. ITS system equipment will be utilized to validate OTP data.	Fixed Route
Customer Service	No more than 3 valid complaints	None	\$50 shall be assessed for each complaint over the threshold of three valid complaints	Calculated monthly	ADA/DAR & Fixed Route
Missed Trip	No missed Trips	None	\$100 per passenger trip missed (excluding no-shows)	Calculated monthly	ADA/DAR
Excessively Late (defined by ADA as a "missed trip").	100% of the trips performed 60 minutes outside the pickup/drop-off window will be assessed with an additional penalty. Performance standard includes agreed upon NLT drop times.	None	\$50/occurrence. This penalty shall be assessed in addition to the requirement for Contractor providing such trips at "no-charge" to the customer.	Per occurrence	ADA/DAR
Missed Service	The standard shall be zero missed service, with consideration given to mechanical failures or issues of force majeure.	None	\$500 shall be assessed for each occurrence where contractor misses rollout for a scheduled route		ADA/DAR
Pullout	Contractor shall ensure on time pullout and arrival to starting point as defined within Scope of Work	None	\$500 per incident	This penalty will be monitored by daily rollout file. ITS system equipment will be utilized to review OTP data	Fixed Route

Maintenance Incentives/Penalties					
Category	Standard	Incentive	Penalty	Comments	Applicability
Contractor's Maintenance Facility	Contractor shall maintain facilities according to cleanliness standards defined within Scope of Work	None	Contractor shall be subject to a penalty of \$50,000 if standards are not met at start-up of this contract. After start-up, failure to comply with this standard on a continued basis shall result in a penalty of \$500 per facility, per occurrence.	Contractor shall be subject to the start-up penalty throughout the course of this contract should a move to a new facility be required.	ADA/DAR & Fixed Route
Vehicle Repair	Contractor shall ensure required repairs in a timely manner (per Scope of Work definition)	None	\$100 per vehicle per day for failure to complete repairs		ADA/DAR & Fixed Route
Average Fleet Miles	Contractor shall ensure average fleet miles between road calls to be above 30,000 miles.	\$500/month where average fleet miles between mechanical road calls exceeds 30,000 miles.	\$1,000 per month penalty for any month where average fleet miles between road calls falls below 30,000 miles standard.		ADA/DAR & Fixed Route
Non-compliant PMIs	Standard 3,000 miles or 45 days. PMI remains delinquent beyond +/- 300 mile interval. Also, any vehicle revenue hours (VRH) operated by this vehicle once PMI interval threshold is exceeded, will not be reimbursed by City. Continued failure of the Contractor to provide this preventive maintenance may result in the termination of this Agreement.	None	If PMI for individual vehicle is delinquent past the scheduled PMI, penalty of \$500 per day will be assessed until PMI is complete. Any revenue hours operated by this vehicle will not be reimbursed by the City until PMI is current.		ADA/DAR & Fixed Route
Wheelchair lift/ramp Repair	Contractor shall ensure operational wheelchair lifts/ramps in service	None	\$500 per incident for not repairing wheelchair lift/ramp in a timely manner		ADA/DAR & Fixed Route
CHP Terminal Inspection	Contractor shall maintain satisfactory CHP rating	None	\$5,000 penalty for failure of Contractor to achieve satisfactory CHP rating. Penalty amount to be doubled with each successive unsatisfactory rating.		ADA/DAR & Fixed Route
Red Tagged Vehicles	Contractor shall ensure repairs of red-tagged vehicles prior to releasing for revenue service	None	\$1,000 per day and non-payment of any VRH operated with a "red" tagged vehicle.		ADA/DAR & Fixed Route
Vehicle Cleanliness/Body-Damage Free	Contractor shall meet this standard as specified in scope of work	None	\$200 per incident of in-service vehicle not meeting cleanliness; \$500 per incident for vehicle not meeting body-damage free.		ADA/DAR & Fixed Route
Air Conditioning	Vehicle shall not be operated in revenue service with inoperable air conditioning.	None	\$200 per vehicle per incident of vehicle being operated in revenue service with inoperable air conditioning.	When ambient temperature exceeds 75 degrees.	ADA/DAR & Fixed Route
Maintenance of vehicle camera equipment	Contractor shall ensure proper maintenance of camera equipment as defined within Scope of Work	None	\$500/vehicle per incident of vehicle where video camera footage is not available.	This penalty is assessed if proper PMI was not performed.	ADA/DAR & Fixed Route
Bus stop/shelter	Contractor shall meet this standard as specified in scope of work	None	\$50 per incident per day for bus stops and shelters not being adequately cleaned.		Fixed Route

Other Incentives/Penalties					
Category	Standard	Incentive	Penalty	Comments	Applicability
Key Personnel	Contractor shall fill all key positions as defined in the Scope of Work	None	If key position is unfilled for a period in excess of 30 calendar days, a penalty of \$200/day/position shall be assessed for any month or portion thereof in which the position(s) remains unfilled beyond the first 30 days.	\$25,000 penalty for replacement of management staff without City approval. Salary and benefits associated with the unfilled position (as itemized in RFP response) will also be deducted from amounts owed to the Contractor.	ADA/DAR & Fixed Route
Staffing	Contractor shall fill all staffing as defined in the Scope of Work	None	Should any staff position remain unfilled for a period of more than thirty (30) days, a penalty of \$100/day/position shall be assessed for the month or portion thereof in which the vacant position(s) remain unfilled.	Salary and benefits associated with the unfilled position (as itemized in RFP response) will also be deducted from amounts owed to the Contractor.	ADA/DAR & Fixed Route
Mechanic Certifications (Automotive Service Excellence (ASE), Compressed Natural Gas (CNG))	Should a mechanic lack proper Automotive Service Excellence Certification (ASE) for repairing Safety-Sensitive vehicle componentry to include Compressed Natural Gas (CNG) systems and its components, to include CNG tanks.	None	A penalty of \$50/day/position for any month or portion thereof in which a required certification is lacking for a mechanic as articulated in Task 1: Staff Requirements/8. Maintenance Personnel/Special Qualifications.		ADA/DAR & Fixed Route
Driver Appearance	Driver must adhere to this standard as defined in Scope of Work	None	Failure to meet the performance standard in Task 5 shall result in a penalty of \$50 per infraction.		ADA/DAR & Fixed Route
Reports – On Time	Contractor shall submit reports that are on time as outlined within the Scope of Work	None	\$50 per day per occurrence from the report due date, or from the time of City notification of an inaccuracy in a submitted report.	In the event of a knowing omission or falsification of operating statistics, this Agreement is subject to immediate termination.	ADA/DAR & Fixed Route
Incorrect Statistics	Contractor shall submit correct statistics	None	If reported statistics are found to be incorrect by City, a penalty of \$50/per day/per occurrence shall be assessed from date of occurrence.		ADA/DAR & Fixed Route
Reports – Accuracy	Contractor shall submit reports that are accurate as outlined within the Scope of Work	None	If statistics reported to City by Contractor, which are used as a basis for evaluating performance against the performance standards, are later found to contain omissions, alterations that have not been properly documented or inaccuracies, a penalty of \$200/per occurrence.	In the event of a knowing omission or falsification of operating statistics, this Agreement is subject to immediate termination.	ADA/DAR & Fixed Route
Out of Fuel	Contractor shall ensure sufficient fuel levels during revenue service	None	\$1500 shall be assessed for each occurrence where vehicle is low/out of fuel causing revenue service to be missed.	Penalty shall be doubled for fueling with passengers while vehicle is in service.	ADA/DAR & Fixed Route

City Equipment	Contractor shall not utilize City equipment as described within scope of work	None	\$1,000 penalty per occurrence and possible termination of the Agreement.		ADA/DAR & Fixed Route
Emergency Response	Contractor shall provide staff to emergency response situations	None	Reimburse City for its actual costs of City staff providing the emergency response at two and one-half times the actual labor rate plus overhead		ADA/DAR & Fixed Route
Accidents	Preventable accident	Zero preventable accidents in a quarterly period (at month-end each September, December, March and June.) \$1,000 for each quarter in which incentive is achieved	\$50 per preventable accident If total vehicle fleet miles (per operations facility) between preventable accidents falls below 75,000 in two consecutive quarters, liquidated damages in the amount of \$2,000/quarter may be assessed	Calculated monthly	ADA/DAR & Fixed Route
Indemnification	Contractor shall acknowledge representation and indemnification obligations within five (5) days of receipt of notice of claim by way of Tender letter submitted to City.	None	Penalty of \$100 per day, which is separate from all legal and administrative expenses that will be owed to CITY with interest. Failure to provide representation and indemnification to CITY within five (5) days of 2nd notice shall result in a penalty of \$500 per day, which is separate from all legal and administrative expenses that will be owed to CITY with interest.	This is a per claim penalty.	ADA/DAR & Fixed Route
Failure to Notify City of issues or failed equipment	Contractor shall notify City of issues or failures relating to RouteMatch (computer aided dispatching (CAD) and automatic vehicle locator (AVL), video equipment, MDTs, two-way radios, and Radio Dispatching Stations as articulated in Task 5 Performance Standards.	None	\$50/incident/day for failing to notify city of issues of failed equipment.		